Montana 2015 Legislation Affecting the Great Falls Region

Prepared by
Great Falls City and Cascade County Commissions
for the 64th Legislative Session
November 17, 2014









2015 Montana Legislative Session Issues of Concern Affecting the City of Great Falls and/or Cascade County



Unified Philosophy: Great Falls City and Cascade County Commissioners generally oppose legislation that shifts or increases the burden of financing core local government services or mandating new requirements without ensuring appropriate funding sources to pay for those services.

The City of Great Falls is affiliated with the Montana League of Cities and Towns (MLCT) and Cascade County is affiliated with the Montana Association of Counties (MACo) to advance and protect the interests of residents within the City and County. Our residents justifiably expect the City and County Commissioners to provide critical public services at a reasonable cost.

In fall 2014,representatives of the City Commission and the County Commission met with their respective professional organizations (MLCT and MACo) and deliberated over resolutions on issues of major concern. The MLCT membership passed over 20 resolutions on issues of major concern to all their members, be they small towns, or large cities. The MACo membership passed 18 resolutions on issues concerning county jurisdictions.

Following are summaries of key resolutions passed by the MLCT and the MACo that affect the Great Falls/Cascade County area. Note numbered resolutions from the Montana League of Cities and Towns (MLCT) are shown in **blue** and resolutions from the Montana Association of Counties (MACo) are shown in **red**.

1. MACo Resolution 2012-02: Board of Adjustment Appeals

COUNTY ONLY

Cascade County **opposes** this MACo resolution seeking legislation to amend the current appeals process on county imposed zoning decisions. Under MCA 76-2-227 citizens currently seek dispute resolution on county imposed zoning through the (zoning) Board of Adjustment; and when not satisfied with a BOA determination then appeal to the District Court. Resolution 2012-02 seeks to allow citizens who are not satisfied with the outcome of their Board of Adjustment appeal to request a decision from the County Commissioners PRIOR to appealing to District Court. The (zoning) Board of Adjustment is appointed by the County Commissioners and we have every confidence in their ability to rule on zoning appeals.

2. MACo Resolution 2012-20: State Agency Coordination

COUNTY ONLY

Cascade County **opposes** this MACo resolution seeking legislation to require the State of Montana to enter into coordination with local governments. The County Commissioners liken this resolution to "a solution in search of a problem." Cascade County opposed HB 326 in the 2013 Legislative Session which sought similar requirements of state government. This legislation is unnecessary and costly. Establishing a relationship with state agencies working on matters that could affect local government (specifically DNRC, DEQ, MT FWP, etc.) is a two-way street. While "coordination" sounds benign, it can easily become a mandate to bottleneck state government, slow business development, and impose additional expenses to taxpayers for unnecessary public hearings. Good working relationships between state and local governments cannot be mandated, they must be nurtured by both parties.

3. MACo Resolution 2014-02: Assignment of Road Street Addresses by Local Government CITY AND COUNTY

Great Falls and Cascade County support legislation to clarify law by expressly authorizing local governments in Montana to assign and regulate street addresses and road names with their jurisdictions. In 2013, the Montana Department of Transportation unilaterally decided to change the address numbering on Eden Road which triggered extensive changes to maps, confusion for first responders, and undue hardship to residents. The County was required to notify citizens and emergency services of multiple address changes.

4. MACo Resolution 2014-09: Extend Sunset on Enhanced 9-1-1 Fund Distribution CITY AND COUNTY

Great Falls and Cascade County support legislation to extend the sunset in the existing 9-1-1 statute, MCA 10-4-313 for the enhanced wireless account. The June 30, 2015 sunset date assumed all 53 Public Safety Answering Points (PSAPs) would be converted to wireless enhanced 9-1-1 and further significant upgrade costs would not occur. The current statute requires 16% of the 9-1-1 wireless enhance account to be distributed to 1) wireless providers serving cities and counties with less than 1% of the total population of the state; and 2) cities and counties with less than 1% of the total population of the state. Without this extension 31 of the smallest counties would see a reduction in their quarterly distribution while the 9 largest counties would see an increase.

5. MACo Resolution 2014-11: Generally Revise Laws Applicable to County Government COUNTY ONLY

Seeking legislation to clarify, update and correct statutes applicable to county government. This resolution includes seventeen items spanning from providing direction on how public notice postings should be done to storage/retention of meeting minutes to removal of antiquated language regarding the county surveyor and termination notice for deputies, to removal of debt thresholds based on a county's total taxable value to clarification of residency requirements for county commissioner candidates to providing a process for filling vacancies for non-partisan offices to eliminating confusion regarding allowable uses of capital improvement funds to eliminating annual reports to the county superintendent of schools to creating uniform dates for establishing fees and levies and more . . .

6. MACo Resolution 2014-12: Historic Road Right-of-Way Deed Purchase COUNTY ONLY Cascade County supports MACOs position to extend the timeframes for the application for access roads constructed prior to 1997 on State Trust Land until 2021 (currently scheduled to expire on October 1, 2015) and allow for reimbursement to counties for the purchase of these rights-of-way. Counties are required to inventory all roads that access State Trust Lands and apply for the recognition of an historic right-of-way by October 1, 2015. Many counties are still in the process of identifying their historic right-of-ways and others are very concerned about the cost of these easements. Cascade County paid \$58,308.00 to purchase 80.757 total state land road acres of ROW and would hope to be reimbursed these costs.

7. State Funding Support for Land Mobile Radio

CITY AND COUNTY

Roughly ten years ago the State of Montana embarked on an ambitious project to convert the state's 1st responders to a new digitally based radio system. This effort was largely funded by federal grants and driven by a series of frequency changes mandated by the FCC. Over the course of the years the core system has been established and is in use by a number of law enforcement agencies including the Montana Highway Patrol, the City of Great Falls, the City of Helena and Lewis and Clark County as well as numerous others. The original Federal grants required that the towers and trunked equipment required to operate the system be owned by individual counties. As a result, parts of the system are owned by a number of entities that do not utilize the system themselves and lack the financial resources to adequately maintain the system. Maintenance of the existing equipment has been accomplished thus

far by the MHP and a small number of counties working outside of their areas but the last of the federal grants and legislative appropriations that facilitated this maintenance have been used up. Currently, a number of jurisdictions including the Cascade County Sheriff's office are evaluating moving to the system but the lack of a long term management and maintenance funding represent significant hurdles to additional jurisdictions adopting this technology.

There are significant technical and tactical advantages inherent in the trunked radio system and it is the appropriate long term platform for our state's 1st responders. Unless the legislature establishes funding to maintain the existing system and establishes a pathway to bring management under a central body, we will never enjoy these advantages. The SIGB (State Interoperability Governing Board) will be presenting its recommendations to the legislature in the upcoming session. Both the city and county would ask the legislators to examine those recommendations carefully and support them.

8. MLCT Resolution 2014-1: General Principles

CITY ONLY

Local government provide the services and facilities that are the foundation of the Montana economy. Montana cities and towns are among the best places in the country to live and work, raise a family and operate a business. The MLCT is committed to preserving and promoting these qualities. Resolution 2014-1 captures the essence of virtually every other resolution. *See details on accompanying pages*.

9. Federal and State Mandates on Water Quality

CITY AND COUNTY

The MLCT has concerns about the Department of Environmental Quality (DEQ) goals with respect to "best management practices" for mitigation of stormwater quality, as well as overall development and application of nutrient standards for wastewater treatment. Legislative engagement may be needed to ensure future standards are reasonable and cost-effective for local governments.

10. <u>Development of Alternative Revenue Sources</u>

CITY ONLY

Additional tools are needed to address the increasing cost of providing core public services. The legislature may be asked to examine solutions, including "local option" taxes or assessments which leave the final decisions adopting new revenue sources in the hands of local voters.

11. MLCT Resolution 2014-2: Protection of the "Entitlement Share" Program

CITY AND COUNTY

City and County elected officials ask the legislature to honor previous compacts with local government to provide a secure and predictable stream of revenue to local governments with a growth adjustment tied to state collections.

12. MLCT Resolution 2014-29: Auditing Requirements

CITY ONLY

Supporting legislation to <u>increase</u> the \$500,000 threshold imposed by the Office of Management and Budget requiring local governments to undergo an audit if the government entity's revenues and financial assistance exceed this maximum.

13. MLCT Resolution 2014-20: Public Works Contracts and Prevailing Wages CITY AND COUNTY Currently, the standard prevailing rate of wages is required in public contracts for construction and nonconstruction services when the total cost of the contract is more than \$25,000. Competitive bidding is not required unless the amount is in excess of \$80,000. Smaller contracts that do not require competitive bidding still require prevailing wages. Seeking support for legislation to increase the threshold for application of prevailing rate of wages to public construction and non-construction contracts to \$80,000.

14. Economic Development Incentives

CITY ONLY

Concerns about how to balance the need for tax incentive programs (TIF and Property Tax Abatements) with the needs of providing sufficient revenues to fund core public services.

Contact Information

The Great Falls City Commissioners and Cascade County Commissioners are committed to tracking legislative actions that may affect local government. Each of the Commissioners is available to answer questions on evolving legislation throughout the 64^{th} Legislative Session. Please call any of the commissioners or staff if you have questions on a bill proposal.

Great Falls City Commission	
Mayor Michael Winters	779-0179 cell
Commissioner Bill Bronson	799-9373 cell
Commissioner Bob Jones	799-0035 cell
Commissioner Fred Burow	727-0930 home
Commissioner Bob Kelly	452-2084 home
City Manager, Greg Doyon	455-8450 office
Deputy City Manager, Jenn Re	eichelt 455-8417 office

Cascade County Commission	
Presiding Officer, Jane Weber (2015)	781-0741 cell
Commissioner Joe Briggs	868-8397 cell
Commissioner Jim Larson (newly elected)	799-6536 cell

The Montana Association of Counties (MACo) was organized in 1909 to anticipate rapidly changing and complex challenges facing Montana's 56 county governments. The following MACo Resolutions were adopted by deliberative assemble at the September 2014 MACo Annual Convention.

The Board of Cascade County Commissioners opposes two of the 2014 MACo Resolutions:

- Resolution 2012-02, Board of Adjustment Appeals
- Resolution 2012-20, State Agency Coordination

Montana Association of Counties Resolutions Requiring Legislation						
Res. No.	Resolution Short Title	Bill	LC No.	Requestor/ Sponsor		Action
2012-02	Board of Adjustment Appeals		Cascade County Opposes			
2012-20	State Agency Coordination		Cascade County Opposes			
2014-01	Access Conveyance Fees for Easement Across State Trust Lands					
2014-02	Assignment of Road Street Addresses by Local Government		LC0555	Rep. Tom Steenberg	Clarifying laws pertaining to assignment of road/street addresses	Draft Request Received
2014-03	Clarifying Eligible Voters in Certain Elections			Rep. Doug Kary		In Process
2014-04	Contracting for the Confinement of Prisoners					
2014-05	County Ordinance for Compression Brakes			Rep. Kirk Wagoner		In Process
2014-06	County Road Permit Fees for Oversize and Overweight Vehicles					
2014-07	Determining Legal Status of County Roads and Public Roads in Counties					
2014-08	Establish Development Agreements Under Montana Law					
2014-09	Extend Sunset on Enhanced 9-1-1 Fund Distribution		LC0824	Rep. Keith Regier	Extend Sunset on Enhanced 9-1-1 Fund Distribution	Draft Request Received
2014-10	Funding for Control of Aquatic Invasive Species	n/a	n/a	n/a	n/a	MACo is to support legislation
2014-11	Generally Revise Laws Applicable to County Government		LC0770	Rep. Rob Cook	Generally Revise Laws Applicable to County Government	Draft Request Received

Mark State	N	/lontar	a Associ	ation of Co	unties			
	Resolutions Requiring Legislation							
Res. No.	Resolution Short Title	Bill	LC No.	Requestor/ Sponsor	Bill Short Title	Action		
2014-12	Historic Right-of-Way Deed Purchase							
2014-13	Noxious Weed Control Funding	n/a	n/a	n/a	n/a	MACo was to support MWCA legislation, but MWCA decided not to come forward with it		
2014-14	Retirees as Independent Contractors							
2014-15	State Assistance for Montana Livestock Producers to Manage Livestock in Carnivore Country							
2014-16	Wind Generation Impact Fees							

City of Great Falls Montana League of Cities and Towns 2015 Legislative Session

The City of Great Falls generally works through the Montana League of Cities and Towns (MLCT) to advance and protect its interests. By "its interests," we mean the citizens of this community, who justifiably expect us to provide critical public services at a reasonable cost.

During its October 2014 annual meeting, the League membership passed over 20 separate resolutions on issues of major concern to all our members, be they small towns, or large cities. Most of these resolutions pertain to matters the League wants to see addressed by the 2015 Legislature.

A. MLCT Resolution 2014-1: General Principles

Local government provide the services and facilities that are the foundation of the Montana economy. Our cities and towns are among the best places in the country to live and work, raise a family and operate a business. The MLCT is committed to preserving and promoting these qualities. Resolution 2014-1 captures the essence of virtually every other resolution – consider these our "bullet points:"

For the 2015 Legislative Session, the League will stand by the following principles of fair, affordable and effective local government:

- 1. Protection of current state transfer payments and the promotion of new sources of revenue to fund essential local services.
- 2. Diversification of the local government finance structure, particularly laws allowing cities, towns, counties and consolidated governments to develop alternatives to property tax mill levies.
- 3. Maintenance of state grant, loan and investment programs to fund capital improvements and enhance the value of local tax dollars.
- 4. Adherence to the intent as well as the letter of federal and state laws and policies that prohibit unfunded mandates.
- 5. Effective planning and development policies that discourage sprawl and promote the more efficient delivery of water, sewer, transportation and other local services.
- 6. Opposition to all measures that limit or diminish municipal authority in contradiction of the Local Government Article of the 1972 Montana Constitution.
- 7. Recognition of the contribution of cities and towns to the history and culture of our state and a better understanding of the fact that all public policy should begin and end with those special places a majority of Montanans call home.

In accordance with these principles, the following are areas of principal concern to all cities and town, including Great Falls are:

- B. Federal/State Mandates on Water Quality: all of us want clean water, and in Great Falls, we can be justifiably proud of our water and wastewater treatment systems, as well as storm-water management. Sometimes, however, we feel our federal and state partners are asking us to do more than may be necessary, and at local taxpayer/ratepayer expense. While the League has been successful working informally with the state Department of Environmental Quality [DEQ] on these subjects, we continue to have concerns about the agency's goals with respect to "best management practices" for mitigation of stormwater quality, as well as overall development and application of nutrient standards for wastewater treatment. At this stage, we don't know if we will need engagement by the legislature to make sure that further implementation of standards be done in a reasonable and cost-effective manner, but we may need your assistance as this process continues.
- C. Development of Alternative Revenue Sources: the ability of many cities and towns to pay for the increasing expense of core public services is diminishing. This is true of Great Falls as well. Our city manager has advised us that within the next one to two years, we may need to ask voters for a special levy for funding police and fire services. None of us are particularly keen on asking for property tax increases or special levies above the caps imposed under Initiative 105, as amended by the legislature to allow for periodic "inflationary" adjustments without a popular vote. The League will be asking our legislators to look at one or more solutions, including "local option" taxes or assessments which give local elected officials additional tools to address fiscal needs. Most of these proposals would leave the final decisions adopting new revenue sources in the hands of local voters.
- D. MLCT Resolution 2014-2: Protection of the "Entitlement Share" Program
 The 2013 Legislature amended the so-called "entitlement program" to provide a secure
 and predictable stream of revenue to local governments with a growth adjustment tied
 to state collections. We hope the 2015 and future legislatures continue to honor this
 compact with local governments.
- E. MLCT Resolution 2014-29: Auditing Requirements

We share the concerns expressed by our county counterparts regarding state-imposed auditing requirements for local government entities, which must undergo an audit if they receive revenues and financial assistance in excess of the threshold dollar amount established by the federal director of the Office of Management and Budget, pursuant to federal statute and state laws. At present, the threshold dollar amount is \$500,000. Local government entities include districts that barely exceed this threshold amount. They are required to have their relatively simple financial records audited, and the cost of an audit is significant considering the amount of revenues and financial assistance they receive. The League will be supporting legislation to increase the threshold amount for requiring an audit of a local government entity to an amount more in line with the total revenues and financial assistance.

F. MLCT Resolution 2014-20: Public Works Contracts and Prevailing Wages
The League will also be looking for some relief here, seeking to increase the threshold for application of prevailing rate of wages to public construction and non-construction contracts to \$80,000.

G. Economic Development Incentives: The League continues to express strong support for tax incentive programs such as tax increment financing (TIF) and property tax abatements. The Great Falls City Commission has used many of the tools to help incentivize business development in this community. Nevertheless, there are concerns by some of our current city commissioners whether state laws may handicap the ability of local governments to address the financial demands of important public services such as police and fire protection during the periods TIFs are in effect and increases in taxable value and thus available tax revenues may not be available for some traditional uses, and where tax abatements may delay receipt of revenues for these same uses. Great Falls has no specific suggestions for your consideration today, but we know that these concerns may come up in continuing deliberations about how we balance the need for development incentives with the like needs for sufficient revenues to fund core public services.